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11 UNITED STATES BANKRUPTCY COURT
12 NORTHERN DISTRICT OF CALIFORNIA
13 OAKLAND DIVISION

14 In re
15 Round Table Pizza, Inc.,
16 Debtor.

Case No. 11-41431 RLE
(Jointly Administered with Case Nos.
11-41432 RLE, 11-41433 RLE, and
11-41434 RLE)

Chapter 11

19 **PRECAUTIONARY MOTION TO USE**
20 **CASH COLLATERAL**

21 Judge: Hon. Roger Efremsky
Date: July 13, 2011
22 Time: 2:00 p.m.
Place: 1300 Clay Street
23 2nd Floor
Oakland, California 94612

24
25 Through this Motion, Round Table Pizza, Inc., The Round Table Franchise Corporation,
26 Round Table Development Company, and Round Table Pizza Nevada LLC, the jointly
27 administered debtors and debtors-in-possession in the above captioned Chapter 11 reorganization
28 cases (collectively "Round Table" or the "Debtor"), seeks authorization to use cash collateral (a) to

1 fund such amounts as the Court may award and authorize to be paid in connection with the Fee
2 Applications set for hearing on July 13, 2011; and (b) to fund professional fees consistent with the
3 Court's *Knudsen* Order, Docket No. 573. This motion, seeking authorization to comply with Court
4 Orders, is brought out of an abundance of caution and in response to comments made by GECC /
5 Prudential to the effect that since professional fees are not incorporated in the cash collateral
6 budget, none may be paid.

7 As presented in Round Table's prior pleadings respecting cash collateral, the law
8 contemplates restricting the Debtor's free use of cash only to the extent necessary to provide
9 "adequate protection" for GECC / Prudential's interests. As previously demonstrated, GECC /
10 Prudential enjoys a very substantial equity cushion, eliminating any need for the provision of
11 adequate protection. In addition, rather than having its interest imperiled by the bankruptcy
12 process – thereby potentially giving rise to a right to adequate protection – GECC / Prudential's
13 interest has been enhanced by the bankruptcy process through store closings and other initiatives.
14 Following the commencement of this case, Round Table's EBITDA has increased by many
15 millions of dollars and its cash on hand has increased to more than \$6 million.

16 Round Table submits that no further "adequate protection" is required to protect GECC /
17 Prudential's interests, and that Round Table should be authorized to use cash collateral to fund
18 such professional fees as the Court authorizes.

19
20 DATED: July, 2011

Respectfully submitted,

21 ST. JAMES LAW, P.C.

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23 By: /s/ Michael St. James

24 Michael St. James

25 Attorneys for Debtor
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